

**Testimony from Diane Randall
Partnership for Strong Communities
Public Health Committee
February 29, 2008 Public Hearing**



Senator Handley, Representative Sayers and Members of the Public Health Committee:
My name is Diane Randall; I am director of the Partnership for Strong Communities, a statewide housing policy and advocacy organization.

Thank you for the opportunity to testify **in support of SB 40 An Act Concerning Supportive Housing**, the Governor's bill that increases the authorization for bond funding that is used for the construction of permanent supportive housing. **This bill deserves your enthusiastic endorsement; AND, I urge you to amend this bill to include funding for an additional 650 units of supportive housing.**

The Success of Supportive Housing

Supportive housing is affordable, permanent and independent rental housing combined with available support and employment services. The value is proven: residents of more than 3,000 supportive housing units in more than 80 communities across the state are stabilized and returning to work and school. Supportive housing helps people maintain independence by linking affordable housing with access to support services in order to manage disabilities such as psychiatric disabilities, chemical addictions, and/or HIV/AIDS. Supportive housing benefits families and individuals, including young adults who are at risk of homelessness and transitioning from residential or foster care. It is the solution to long-term homeless experienced by people who struggle with chronic conditions like mental illness or addiction.

The State's Investment

The Governor and the General Assembly wisely have made steady, regular investments in permanent supportive housing as a solution to homelessness and as a successful method to address gridlock in the mental health system—offering a community-based solution. Under Governor Rell's leadership, the award winning interagency collaboration that has been in place for over a decade to produce supportive housing has been remarkably successful; we now have the capacity to produce many more units of supportive housing than we have funding available.

The 650 additional units we are proposing will be created through both scattered and development approaches.

- 100 units scattered in market rate/affordable housing developments currently underway;
- 250 scattered site units using a leasing approach; and
- 300 newly funded units through a development approach.

(over)

How Funding for Supportive Housing Works

In Connecticut, we have used two approaches to create supportive housing—a scattered site method, which requires rental subsidies and supportive services funding, and a housing development approach, which requires capital financing in addition to rental subsidies and support services. SB 40 increases the authorization for CHFA to issue 501 c 3 bonds for the capital financing that will be used this year to develop 150 units of supportive housing. **In order for CHFA to issue 501 c 3 bonds for a round of capital financing in 2009 to finance 300 additional units of supportive housing, the authorization would need to increase to \$175 million, with corresponding debt service payments the Treasurer's budget.**

The Need for More Supportive Housing

The failure to finance the creation of an additional 650 new units now will cause two major problems: (1) It will not only deny many homeless individuals and families the supportive housing they need, but also (2) lead organizations and developers now ready to proceed with projects to face costly delays or use sites for an alternate use.

In the last three rounds of funding for supportive housing, nearly 1,000 units could not be created due to a lack of funding availability. The Reaching Home Campaign, a broad coalition of housing developers, social service providers, concerned citizens, has goal of ending chronic homeless in ten years through the creation of 10,000 units of permanent supportive housing. Through the leadership of the Corporation for Supportive Housing, and key state agencies—DMHAS, OPM, DSS, DCF, DECD and CHFA—we have developed a system that will help us meet that goal of ending chronic homelessness. Your support for SB 40, including an increase in the number of units to be financed through supportive housing will help us meet that goal.

I am pleased to answer any questions you may have.